

*Inqlis*

*Annual  
Report*

FOR THE YEAR ENDED DECEMBER 26 1964





# DIRECTORS AND OFFICERS

## ● DIRECTORS

PERCIVAL J. BALDWIN  
CHARLES-ÉMILE BÉLANGER  
JOHN A. BOYD  
AIR MARSHAL HUGH CAMPBELL, C.B.E., LL.D.  
STUART M. FINLAYSON  
WILLIAM M. HURTON, C.B.E.  
THE RT. HON. LORD NELSON OF STAFFORD  
J. GEOFFREY NOTMAN, O.B.E.  
HAROLD NUTTALL  
GEORGE A. RIDDELL  
HUMPHREY B. STYLE

## ● OFFICERS

HUMPHREY B. STYLE	<i>Chairman of the Board</i>
STUART M. FINLAYSON	<i>Deputy Chairman of the Board</i>
HAROLD NUTTALL	<i>President and Chief Executive Officer</i>
R. BARRETT SIMPSON	<i>Vice-President Finance and Treasurer</i>
FRANK O. PRICE	<i>Vice-President</i>
PERCIVAL J. BALDWIN	<i>Secretary</i>

## ● BANKERS

BANK OF MONTREAL

## ● TRANSFER AGENT AND REGISTRAR

CANADA PERMANENT TRUST COMPANY,  
253 Bay Street, Toronto 1.  
350 Notre Dame St. West, Montreal.

## ● AUDITORS

CLARKSON, GORDON & Co., Chartered Accountants,  
15 Wellington St., West, Toronto 1.

JOHN INGLIS CO. LIMITED, 14 STRACHAN AVE., TORONTO 3, CANADA



# REPORT OF THE BOARD OF DIRECTORS

## *To the Shareholders:*

Your Directors present herewith the Annual Report of your Company for the year ended December 26, 1964.

The result of the year is a net loss of \$318,000 compared with a net loss for the previous year of \$1,764,000, an improvement amounting to some \$1,450,000.

Whilst the effects of the delays in the production of capital equipment arising in the previous year have limited the extent of the recovery, the English Electric - John Inglis Equipment Division results, although showing a loss, have improved substantially and the Consumer Products Division has more than maintained its satisfactory operating results in an expanding but increasingly competitive market.

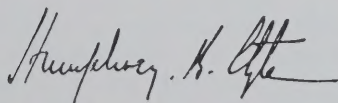
### ● CONSUMER PRODUCTS DIVISION

Sales volume continues to increase and planning is in hand for further expansion of manufacturing facilities to ensure that the Division may continue to participate fully in this growing market and to show steadily increasing results.

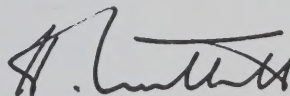
### ● ENGLISH ELECTRIC-JOHN INGLIS EQUIPMENT DIVISION

Many of the unforeseen difficulties reported last year have been overcome but the effect is that the order book is now considerably reduced. Urgent consideration is being given to further steps to ensure the elimination of losses as soon as possible.

Your Directors wish to record their appreciation of the co-operation of the Company's employees throughout the year.



Chairman of the Board



President

February 24, 1965.



# CONSOLIDATED BALANCE SHEET

## ASSETS

CURRENT:	1964	1963
Accounts receivable . . . . .	\$ 6,795,181	\$ 7,840,284
Inventories, valued at the lower of cost or market, less progress billings on contracts . . . . .	7,782,245	8,176,065
Prepaid expenses . . . . .	52,374	64,039
	<u>14,629,800</u>	<u>16,080,388</u>
FIXED:		
Land, buildings and equipment, at cost . . . . .	18,722,766	18,839,056
Less accumulated depreciation . . . . .	10,604,051	10,029,474
	<u>8,118,715</u>	<u>8,809,582</u>
OTHER:		
Deferred charges . . . . .	198,352	177,115
	<u>\$22,946,867</u>	<u>\$25,067,085</u>
On behalf of the Board:		
H. B. STYLE, <i>Director</i>		
H. NUTTALL, <i>Director</i>		

### AUDITORS' REPORT

To the Shareholders of  
John Inglis Co. Limited:

We have examined the consolidated balance sheet of John Inglis Co. Limited and its subsidiary company as at December 26, 1964 and the statements of consolidated profit and loss and deficit for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

## LIABILITIES

CURRENT:	1964	1963
Bank advances (secured) . . . . .	\$ 3,574,263	\$ 5,064,005
Accounts payable and accrued charges . . . . .	5,451,751	5,634,118
Accounts payable to parent and affiliated companies . . . . .	242,696	140,945
Estimated taxes payable . . . . .	357,709	373,159
	<u>9,626,419</u>	<u>11,212,227</u>
PROVISION FOR WARRANTY ON CONTRACTS . . . . .	600,000	600,000
LOAN FROM PARENT COMPANY . . . . .	<u>1,900,000</u>	<u>1,900,000</u>
FIRST MORTGAGE BONDS (after deducting current sinking fund instalments and bonds purchased in anticipation of future sinking fund requirements):		
John Inglis Co. Limited —		
4% Sinking Fund Bonds Series "A" — due November 15, 1966 . . . . .	783,000	864,000
English Electric Company of Canada, Limited —		
4% Sinking Fund Bonds, due January 2, 1967 . . . . .	405,000	431,000
	<u>1,188,000</u>	<u>1,295,000</u>
SINKING FUND DEBENTURES — 6% — DUE APRIL 1, 1967 (after deducting current sinking fund requirements) . . . . .	<u>3,144,323</u>	<u>3,253,560</u>
SHAREHOLDERS' EQUITY:		
Capital —		
Authorized — 1,500,000 shares of no par value		
Issued — 1,107,498 shares . . . . .	9,314,269	9,314,269
Deficit . . . . .	2,826,144	2,507,971
	<u>6,488,125</u>	<u>6,806,298</u>
	<u>\$22,946,867</u>	<u>\$25,067,085</u>

In our opinion the accompanying consolidated balance sheet and statements of consolidated profit and loss and deficit present fairly the financial position of the companies as at December 26, 1964 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

CLARKSON, GORDON & CO.  
Chartered Accountants.

Toronto, Canada,  
January 25, 1965.





# JOHN INGLIS CO. LIMITED

STATEMENTS OF CONSOLIDATED PROFIT AND LOSS AND DEFICIT  
FOR THE YEAR ENDED DECEMBER 26, 1964 (with comparative figures for 1963)

## ● PROFIT AND LOSS

	1964	1963
Profit on operations before the undernoted . . . . .	\$ 812,956	\$ (618,888)
Less:		
Depreciation . . . . .	768,532	790,010
Interest on long term debt . . . . .	354,597	346,200
Directors' fees . . . . .	8,000	8,500
	<u>1,131,129</u>	<u>1,144,710</u>
Net loss for the year . . . . .	\$ 318,173	\$ 1,763,598

## ● DEFICIT

Deficit at beginning of year . . . . .	\$ 2,507,971	\$ 744,373
Net loss for the year . . . . .	318,173	1,763,598
Deficit at end of year . . . . .	<u>\$ 2,826,144</u>	<u>\$ 2,507,971</u>

## *Statement of Source and Application of Funds*

Funds were provided from operations		\$ 450,359
Represented by:		
Net loss for the year . . . . .	\$ 318,173	
Less depreciation provided which did not represent an outlay of funds . . . . .	768,532	
	<u>\$ 450,359</u>	
Funds were expended on:		
Fixed assets (net) . . . . .	\$ 77,665	
Increase in deferred charges . . . . .	21,237	
Reduction in Sinking Fund Debentures . . . . .	109,237	
Reduction in First Mortgage Bonds . . . . .	107,000	315,139
Resulting in an increase in working capital of . . . . .		<u>\$ 135,220</u>



# PRODUCTS MANUFACTURED BY YOUR COMPANY

## English Electric - John Inglis Equipment Division

Steam generators  
Condensers and feed water heaters  
Evaporators  
Heat exchangers  
Pressure vessels  
Glass lined tanks  
Stainless and alloy or alloy-clad tanks  
Atomic reactors and control rods  
Primary and secondary crushers  
High speed dough mixers

Paper making machinery  
Marine steam turbines  
Hydraulic turbines  
Steam turbo-generators  
Excavating equipment  
Mobile cranes  
A.C. generators  
Induction motors  
Synchronous motors

## Consumer Products Division

Home laundry equipment  
Coin-operated automatic laundry and  
dry cleaning equipment

Domestic water heaters  
Dishwashers  
Pumps for oil burners

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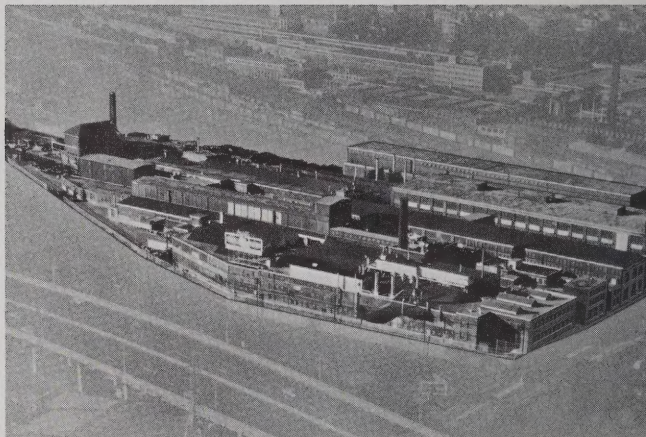
## ● 'ENGLISH ELECTRIC' PRODUCTS FOR WHICH YOUR COMPANY ACTS AS AGENT

D.C. Transmission equipment  
Special industrial drives  
Mercury-arc rectifiers  
Semi-conductor rectifiers  
H.R.C. non-deteriorating fuses  
Superform H.R.C. fusegear  
Hydro-electric generators

Power transformers  
Instrument transformers  
Air, oil, air blast circuit breakers  
Metalclad switchboards  
Unit substations  
Protective devices, indicating instruments  
Control boards



Strachan Avenue Toronto Works. These premises containing approximately 485,000 sq. ft. of manufacturing space, house the company's Consumer Products Division and its steel plate fabricating shops.



## JOHN INGLIS CO. LIMITED • TORONTO, CANADA

Scarborough Works. Aerial view showing the Scarborough Works containing 310,000 sq. ft. of manufacturing space, housing the English Electric-John Inglis Equipment Division.

